

# HOUSE BILL 755

C7

EMERGENCY BILL

11r2383  
CF SB 823

---

By: **Delegates K. Kelly, Beitzel, Kramer, and Myers**

Introduced and read first time: February 10, 2011

Assigned to: Ways and Means

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Gaming – Video Lottery Terminals – Allegany County**

3 FOR the purpose of altering the distributions of video lottery terminal proceeds from a  
4 video lottery facility in Allegany County under certain circumstances; repealing  
5 certain provisions relating to a distribution of video lottery terminal proceeds to  
6 a video lottery operation licensee in Allegany County that would otherwise go to  
7 the Racetrack Facility Renewal Account; making this Act an emergency  
8 measure; and generally relating to video lottery terminals and video lottery  
9 terminal proceeds.

10 BY repealing and reenacting, with amendments,  
11 Article – State Government  
12 Section 9–1A–27(a) and (b)  
13 Annotated Code of Maryland  
14 (2009 Replacement Volume and 2010 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – State Government**

18 9–1A–27.

19 (a) **[On] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,**  
20 **ON** a properly approved transmittal prepared by the Commission, the Comptroller  
21 shall pay the following amounts from the proceeds of video lottery terminals at each  
22 video lottery facility:

23 (1) 2% to the State Lottery Agency for costs as defined in § 9–1A–01 of  
24 this subtitle;

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) [except as provided in subsection (b) of this section,] to the video  
2 lottery operation licensee, the percentage stated in the accepted application for the  
3 location, not to exceed 33%;

4 (3) 5.5% in local impact grants, in accordance with § 9-1A-31 of this  
5 subtitle;

6 (4) 7% to the Purse Dedication Account established under § 9-1A-28  
7 of this subtitle, not to exceed a total of \$100,000,000 to the Account annually;

8 (5) [(i) except as provided in item (ii) of this item,] for the first 8  
9 years of operations at a video lottery facility, 2.5% to the Racetrack Facility Renewal  
10 Account established under § 9-1A-29 of this subtitle, not to exceed a total of  
11 \$40,000,000 to the Account annually;

12 [(ii) for the first 5 years of operations at a video lottery facility in  
13 Allegany County, 2.5% to the video lottery operation licensee that satisfies the  
14 requirement under subsection (b) of this section;]

15 (6) 1.5% to the Small, Minority, and Women-Owned Businesses  
16 Account established under § 9-1A-35 of this subtitle; and

17 (7) the remainder to the Education Trust Fund established under §  
18 9-1A-30 of this subtitle.

19 (b) (1) [For the first 5 years of operations at a video lottery facility in  
20 Allegany County, the Comptroller shall pay to the video lottery operation licensee, on  
21 a properly approved transmittal prepared by the Commission, the percentages  
22 authorized in subsection (a)(2) and (5)(ii) of this section as stated in the accepted  
23 application for the location, if the applicant that is awarded the video lottery operation  
24 license agrees to purchase the Rocky Gap Lodge and Resort] **SUBJECT TO  
25 PARAGRAPH (2) OF THIS SUBSECTION, ON A PROPERLY APPROVED  
26 TRANSMITTAL PREPARED BY THE COMMISSION, THE COMPTROLLER SHALL PAY  
27 THE FOLLOWING AMOUNTS FROM THE PROCEEDS OF VIDEO LOTTERY  
28 TERMINALS AT A VIDEO LOTTERY FACILITY IN ALLEGANY COUNTY:**

29 (I) **1% TO THE STATE LOTTERY AGENCY FOR COSTS AS  
30 DEFINED IN § 9-1A-01 OF THIS SUBTITLE;**

31 (II) **TO THE VIDEO LOTTERY OPERATION LICENSEE, THE  
32 PERCENTAGE STATED IN THE ACCEPTED APPLICATION FOR THE LOCATION, NOT  
33 TO EXCEED 50%;**

34 (III) **2.75% IN LOCAL IMPACT GRANTS, IN ACCORDANCE  
35 WITH § 9-1A-31 OF THIS SUBTITLE;**

1                   **(IV) 3.5% TO THE PURSE DEDICATION ACCOUNT**  
2 **ESTABLISHED UNDER § 9-1A-28 OF THIS SUBTITLE;**

3                   **(V) 0.75% TO THE SMALL, MINORITY, AND WOMEN-OWNED**  
4 **BUSINESSES ACCOUNT ESTABLISHED UNDER § 9-1A-35 OF THIS SUBTITLE; AND**

5                   **(VI) THE REMAINDER TO THE EDUCATION TRUST FUND**  
6 **ESTABLISHED UNDER § 9-1A-30 OF THIS SUBTITLE.**

7                   **(2) IF THE PROCEEDS GENERATED FROM VIDEO LOTTERY**  
8 **TERMINALS AT A VIDEO LOTTERY FACILITY IN ALLEGANY COUNTY ARE EQUAL**  
9 **TO OR EXCEED THE AVERAGE VIDEO LOTTERY TERMINAL PROCEEDS**  
10 **GENERATED AT THE OTHER VIDEO LOTTERY FACILITIES IN THE STATE, AS**  
11 **DETERMINED BY THE STATE LOTTERY COMMISSION, THEN THE PROCEEDS**  
12 **GENERATED AT THE FACILITY IN ALLEGANY COUNTY SHALL BE ALLOCATED AS**  
13 **PROVIDED IN SUBSECTION (A) OF THIS SECTION.**

14                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
15 measure, is necessary for the immediate preservation of the public health or safety,  
16 has been passed by a ye and nay vote supported by three-fifths of all the members  
17 elected to each of the two Houses of the General Assembly, and shall take effect from  
18 the date it is enacted.